

ST. LOUIS DEVELOPMENT CORPORATION
Cooperative Agreement # 2B – 97708601

American Recovery and Reinvestment Act
Brownfields Cleanup Revolving Loan Fund Grant
FINAL PROGRESS REPORT

Grant Period
October 1, 2009-September 30, 2012



4266 McRee transformed to "Olio" and "Elaia" wine bar and restaurant

Submitted December 28, 2012

SUMMARY

St. Louis Development Corporation (SLDC) is pleased to submit this *Final Progress Report* for the \$960,000.00 (\$540,000 Hazardous and \$420,000 Petroleum) Supplemental Revolving Loan Fund grant awarded through the American Recovery and Reinvestment Act (ARRA). All grant funded activities were completed before September 30, 2012 and the grant has been completely expended and drawn down. We were honored to participate in 15 shovel-ready cleanup projects, which are detailed below.

DETAILED RESPONSES

The following are more detailed responses to each mandatory element of a Quarterly Progress Report as required by paragraph II.D of the Programmatic Conditions section of the grant's Cooperative Agreement.

i.) Progress Meeting Performance Objectives and Project Time Line

The project was completed on time. The following chart details project budgets and actual expenses:

	Project	Type	Budget	Total Expense	Remaining
1	Habitat JVL 2009	H	173,995.12	173,995.12	0
2	LRA JVL 2010	H	258,070.85	258,070.85	0
3	LRA Porter Oil	H	30,000.00	30,000.00	0
4	Youth & Family Center 800 Cass	H	40,000.00	40,000.00	0
5	Former Becker Metals	H	37,934.03	37,934.03	0
	Hazardous Total		540,000.00	540,000.00	0
6	STLCC Harrison Education Center	P	63,554.87	63,554.87	0
7	LRA Baden	P	74,297.56	74,297.56	0
8	LRA Porter Oil	P	100,000.00	100,000.00	0
9	DeSales 2255 California	P	25,000.00	23,713.31	0
10	Garden District 4101 Blaine	P	19,000.00	14,702.70	0
11	LRA 4063 Evans	P	16,901.32	16,901.32	0
12	Garden District 4266 McRee	P	46,000.00	46,000.00	0
13	Butler Merchandising	P	40,000.00	20,579.15	0
14	Yours, Inc.	P	30,000.00	30,000.00	0
15	Garden District 2232 Thurman	P	28,000.00	30,251.09	0
	Petroleum Total		420,000.00	420,000.00	0

NARRATIVE

All cleanup activities discussed were accomplished with the oversight and involvement of the Missouri Department of Natural Resources (MO-DNR) Brownfields Voluntary Cleanup Program (BVCP), Tanks Section, and/or United States Environmental Protection Agency (EPA), as appropriate. In cases where cleanup remains to be accomplished, SLDC will continue to partner with these agencies to ensure that human health and the environment are adequately protected.

HAZARDOUS SUBSTANCES CLEANUP

1.) Habitat JVL 2009: Habitat for Humanity (www.habitatstl.org) targeted the Jeff Vanderlou Neighborhood for development of new, single-family homes. During the course of their due diligence, they discovered that the soil of many of the properties was contaminated with unacceptable levels of polynuclear aromatic hydrocarbons (PAHs) and heavy metals such as lead and arsenic. Consequentially, the upper three feet of soil was removed, properly disposed and replaced.



2009 "Build" Before



2009 "Build" After

ARRA funds were used to cover a portion of Habitat's cleanup expenses (\$173,995.12), which resulted in the successful development of 19 "green" homes, complete with geothermal heating/air conditioning systems, and "rain garden" storm-water systems. The approximate cost to construct these homes, exclusive of remediation, was \$2.2 million.

2.) LRA JVL 2010: Most of the properties slated for redevelopment by Habitat in the Jeff Vanderlou Neighborhood were owned by the city's Land Reutilization Authority (LRA), who is the ultimate recipient of property title when land is foreclosed due to unpaid property taxes. Again, we found that large areas of land bounded by Thomas, Garrison, Sheridan, and Glasgow were contaminated with unacceptable levels of metals and PAHs.



Soil Removal, South Side of Thomas



Completed Home, South Side of Thomas

SLDC sub-granted \$258,070.85 to LRA, in order to remove contaminated soil and properly prepare land slated for Habitat's 2010 "Build" for residential redevelopment. This resulted in construction of 10 single-family homes at a cost of \$1,034,200.00.

3&8.) LRA Porter Oil: The former Porter Oil Site at 1429-39 Kentucky Avenue and 1418-1434 Wittenberg Avenue was used for bulk petroleum storage and blending of hazardous wastes with oil for fuel purposes. LRA received title to the land several years ago and received a 2009 petroleum cleanup grant from EPA, which was insufficient to cover all cleanup expenses.



Petroleum Cleanup



Warehouse where oily storm-water filled basement

SLDC sub-granted a total of \$130,000.00 to LRA from the ARRA grant to cover an additional \$30,000.00 in petroleum cleanup expenses and \$100,000 for hazardous substances, which was primarily used to remove contaminated water from the basement of the warehouse on Wittenberg, and miscellaneous wastes scattered throughout the property. We received a "No Further Action" letter from the MO-DNR Tanks Section On September 9, 2011. The remainder of cleanup issues will be satisfied with the oversight of MO-DNR's Brownfields Voluntary Cleanup Program (BVCP).

4.) Youth and Family Center: The Youth & Family Center (www.theyfc.org) provides educational, recreational, advocacy and support services. They acquired the former Cochran Gardens Community Center at 800 Cass, which had been effectively abandoned and allowed to fall into disrepair.



Exterior shot of 800 Cass



Interior Remediation Area

Although floor tile tested negative for asbestos, tiles loosened beneath a leaking roof were found to be glued with mastic containing 5-10 percent chrysotile asbestos. SLDC's \$40,000.00 sub-grant to the Youth and Family Center funded the mastic removal and enabled their \$560,000 renovation to move forward.

5.) Former Becker Metals: This former metal scrap yard is part of a larger land assembly area known as the Adelaide Business Campus. Soil in a portion of the property intended for storm-water retention basin construction is contaminated with levels of polychlorinated biphenyls (PCBs) regulated by the Toxic Substances Control Act (TSCA) which must be cleaned before development can begin. Remaining hazardous funds under this grant (\$37,934.03) were used to support a \$161,000 cleanup contract, also funded with regular RLF and SLDC funds, through a sub-grant to the Planned Industrial Expansion Authority (PIEA).



Cleanup Underway at Becker Metals

Excavation of PCB-contaminated soil commenced on September 24, 2012 and is still underway at the writing of this report. This cleanup is in support of the first development in SLDC's North Riverfront Redevelopment Area, the adjoining multi-million dollar development of a Love's Travel Center and Country Store, which is slated to include McDonald's and Subway restaurants.

PETROLEUM CLEANUP

6.) STLCC Harrison Education Center: Development of St. Louis Community College's new \$10 million, 30,000 square foot, LEED-Gold-Certified Harrison Education Center (http://www.stlcc.edu/Campuses/Education_Centers/William%20J.%20Harrison%20Education%20Center.html) began with the discovery of soil and groundwater contaminated with lead, PAHs and diesel fuel (most notably naphthalene).



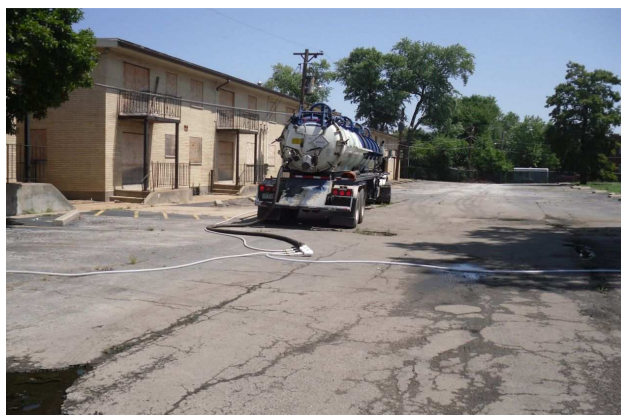
During Cleanup



Completed Harrison Education Center

SLDC was able to help offset some of their cleanup expenses (initially estimated at \$600,000) with a cleanup sub-grant of \$63,554.87. The cleanup is complete and final sign-off from the BVCP is pending.

7.) LRA Baden Apartments: The LRA received title to this abandoned apartment complex many years ago from the federal department of Housing and Urban Development (HUD). Previous assessment work indicated minor impact from an adjoining former gasoline station. A non-profit homeless advocacy expressed an interest in redeveloping the site for use as transitional housing for homeless persons, and the project funding was partially sourced at HUD. During the course of their due diligence, additional petroleum impact was found, including free phase floating product on the water table.



Vac Truck Removing Free Product



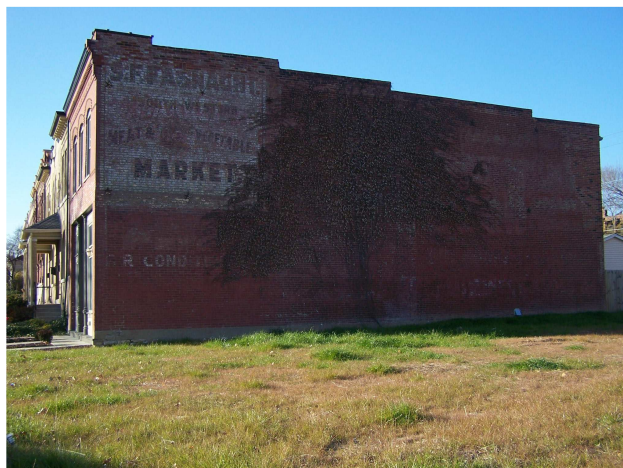
Source removal from Adjoining Property

At the request of LRA, SLDC sub-granted ARRA funds necessary to remove the free product, and our partners at the MO-DNR Tanks Section used their ARRA funds to remove the tanks from the adjoining property. Unfortunately, we were unable to satisfy HUD Environmental Requirements, and the homeless advocacy withdrew their purchase option. Due to ongoing security problems, LRA was forced to demolish the apartment complex shortly thereafter. At the writing of this report, redevelopment negotiations are underway for a retail redevelopment of the site, but no further details are available at this time.

9.) DeSales 2255 California: DeSales Community Housing Corporation (www.desaleshousing.com) is a neighborhood advocacy for the area bounded roughly by Jefferson, Grand, Arsenal, Gravois, and Shenandoah. DeSales applied for and received a sub-grant from SLDC to cover out-of-pocket expenses associated with the removal and proper disposal of four underground storage tanks and impacted soil, from the former gas station located at 2255 California.



Tank Removal Underway



Site as it Appears Today

The cleanup is substantially complete, with only a risk assessment needed to enable the MO-DNR Tanks Section to issue a “No Further Action” letter. SLDC intends to use assessment grant funds to complete this work in early 2013. The proposed reuse of the site at this time is as a parking lot to support nearby businesses. However, the site was chosen by SLDC staff and EPA to receive reuse planning assistance from Region 7, which could open possibilities to achieve a higher reuse. DeSales has transferred ownership to LRA to avoid tax conflicts, and is on board to participate with the Region 7 reuse planning effort.

10.) Garden District 4101 Blaine: The Garden District Commission (GDC) (www.gardendistrictcommission.org) is a charitable neighborhood advocacy primarily for the Shaw, McRee Town, Tiffany, and Southwest Garden Neighborhoods. GDC applied for and received a sub-grant from SLDC to cover out-of-pocket expenses associated with the removal and proper disposal of three underground storage tanks and impacted soil, from the former gas station located at 4101 Blaine.



Underground Tank Removal in Progress



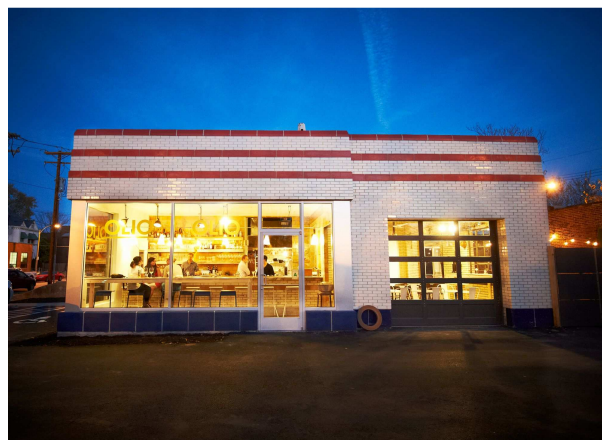
Playground Reuse

Cleanup activities are substantially complete, with the exception of a final risk assessment, which SLDC stands ready to complete in early 2013. At present, the property is being used as a neighborhood playground.

11.) Garden District 4266 McRee: The GDC was working with a local developer to clean this former Standard Service Station and redevelop it as a small restaurant. SLDC sub-granted \$46,000.00 in ARRA funds to support out-of-pocket cleanup expenses.



During Remediation



After Redevelopment

Cleanup is substantially complete and the station, together with the east adjoining former residence, has been extensively redeveloped into "Olio" and "Elaia" wine bar and restaurant (www.olio STL.com) also <https://www.facebook.com/ElaiaOlio>.

12.) LRA 4063 Evans: The LRA held title to the tax-reverted former service station located at 4063 Evans in the city's 4th Ward. Alderman Samuel Moore and members of the Ville Commission requested that the land be prepared for use as an apple orchard and community garden. SLDC first used assessment grants to characterize the site, and both SLDC and the

city's Community Development Administration provided the LRA with funding to remove underground tanks and contaminated soil.



Underground Tank Removal



Award-winning Community Garden

The property received a No Further Action letter from the MO-DNR Tanks Section on February 3, 2011. The project also received support from EPA's Technical Assistance to Brownfields program at Kansas State University, which evaluated the site's suitability for agricultural purposes, concluding that none of the trace elements (metals) were high enough to cause any adverse effect, and made specific recommendations for improving soil quality. Today the property has been redeveloped as the Ville Orchard.

13.) Butler Merchandising: Butler Merchandising, a local packaging company, wished to create a parking lot at 2130 Dr. Martin Luther King Drive, in order to expand its manufacturing facility on the west adjoining parcel. SLDC sub-granted funds to PIEA, in order to complete underground tank and contaminated soil removal.



Tank Pit, with Butler Merchandising in Background



Excavation, with Downtown in Background

Cleanup is complete and the property received a No Further Action letter from the MO_DNR Tanks Section on October 22, 2012

14.) Yours, Inc.: This non-profit has developed a grocery/produce market in a disadvantaged neighborhood. The MO-DNR BVCP assisted in conducting assessments and discovered underground petroleum tanks. SLDC's Board approved a \$30,000 sub-grant request from Yours, Inc. in November 2011, to cover out-of-pocket expenses related to tank removal.



Interior Shot



Tank Excavation



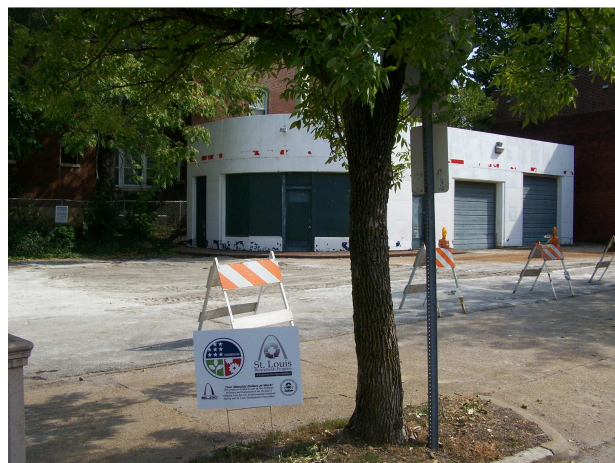
ARRA Signage

The sub-grantee contracted with SCI Engineering, who performed cleanup activities prior to September 30, 2012. The cleanup is substantially complete.

15.) 2232 Thurman: SLDC used remaining ARRA funds to support underground tank removal at an abandoned gas station located at 2232 Thurman. DeSales purchased the site after MO-DNR conducted assessments on their behalf. SLDC subsequently sub-granted ARRA funds to DeSales to cover out-of-pocket expenses related to the tank removal.



Site Before Cleanup



Site After Cleanup

Costs came in higher than anticipated, and the project completely exhausted remaining grant funds. The cleanup is substantially complete, and SLDC intends to complete remaining risk assessment activities during early 2013. A Developer has been secured for the abandoned gas station, and the intended use is *the Social Affair at Thurman Station*, a catering business.

ii.) Project Milestones

Details regarding Project Milestones are recorded on the chart below. All major milestones are documented in the administrative record for each project, which can be reviewed upon request.

Project	Eligibility	Board Approval	QAPP	ABCA	Community Meeting	Cleanup Start	Cleanup Completion	CoC or NFA
Habitat	5/11/10	6/17/10	X	X	4/22/09	10/16/09	10/20/09	CoC
Harrison	8/05/10	5/21/09	X	X	6/30/09	4/28/10	5/4/10	CoC pending
LRA JVL	7/15/10	7/20/10	X	X	8/30/10	9/18/10	10/14/10	CoC
Baden	5/12/10	5/20/10	X	X	7/9/10	7/28/10	1/27/11	NFA
Porter	7/20/10	6/17/10	X	X	6/18/10	10/25/10	tbd	NFA
California	9/11/09	5/20/10	tbd	X	2/18/11	5/1/11	8/15/11	NFA pending
Blaine	2/3/10	5/20/10	X	X	2/18/11	3/24/11	3/30/11	CoC pending
Evans	7/20/10	6/17/10	X	X	8/30/10	10/22/10	11/15/10	NFA
McRee	11/23/10	11/18/10	X	X	2/18/11	4/25/11	5/25/11	NFA pending
Cass	11/23/10	10/21/10	n/a	X	1/19/11	2/2/11	2/17/11	n/a
Becker	11/18/11	8/18/11	X	X	3/30/12	9/25/12	9/30/12	EPA approval tbd
Butler	9/22/11	8/18/11	X	X	1/12/12	5/11/12	9/30/12	NFA
Yours, Inc.	11/29/11 (DNR)	11/17/11	X	X	5/30/12	9/4/12	9/30/12	NFA pending
Thurman	9/11/12	8/16/12	X	X	9/11/12	9/18/12	9/30/12	NFA pending

iii.) Environmental Outcomes & Outputs

Environmental Outcomes & Outputs	Cumulative
Sub-grants awarded	14
Sub-grants with complete or substantially complete cleanups	14
Acres ready for reuse	12.6
Amount of leveraged private & public sector funding for remediation/abatement	\$415,531.00
Jobs created (FTE)	8.7

iv.) Budget Recap Summary

The summary below is expense-based and matches actual draw-downs completed as of the end of the quarter.

(A) Current Approved Recovery Act Budget	(B) Recovery Act Costs Incurred This Quarter	(C) Recovery Act Costs Incurred to Date	(D) Total Remaining Recovery Act Funds
\$960,000.00	\$0	\$960,000.00	\$0

v.) Costs Incurred at Petroleum Sites (if applicable)

Costs incurred at Petroleum sites total \$420,000.00 for the grant (expense-based). Please see the following page for a more detailed accounting of incurred and planned costs.

P/H	Sub-grantee	Project	Approved Amount	Contract or Reimbursement Totals	Invoices/Draw-downs	Remaining
H A Z A R D O U S	Habitat for Humanity	2009 JVL Phase III	200,000.00	88,647.29 85,347.83	1/7/10 79,782.56 5/19/10 76,813.05 2/18/11 17,399.51	0
	LRA	JVL 2010	270,000.00	B/VCP White Signs Advertising Bids EOI 51,920.00	9/21/10 3,000.00 9/21/10 193.50 10/25/10 136.00 9/21/10 1,961.25 9/21/10 5,141.18 12/15/10 35,231.85 2/18/11 2,647.43 3/21/11 3,815.00 5/18/11 1,805.00	0
				REACT 217,469.89	10/25/10 171,528.40 11/18/10 9,027.81 12/15/10 23,583.43	
	Youth and Family Center	800 Cass	40,000.00	40,000.00	3/21/11 40,000.00	0
	LRA	Porter Oil	30,000.00	EMA 30,000.00	2/18/11 30,000.00	0
	PIEA	Former Becker Metals	37,934.03 (of \$161,000)	Ahrens 37,934.03	37,934.03	0
	Totals				540,000.00	0
P E T R O L E U M	St. Louis Community College	Harrison Education Center	80,000.00	63,554.87	11/18/10 57,199.38 6,355.49	
	LRA	Baden Apartments	100,000.00	Burns 33,400.00 Burns 41,200.00	8/16/10 1,613.90 9/21/10 5,211.58 10/25/10 13,503.29 11/18/10 9,104.08 1/18/11 3,823.39 3/21/11 41,041.32	0
	DeSales	2255 California	25,000.00		9/27/11 11,573.50 5/1/12 9,768.47 1,285.95 1,085.39	0
	Garden District	4101 Blaine	19,000.00		6/30/11 8,730.00 4,502.43 970.00 500.27	0
	Garden District	4266 McRee	46,000.00		6/30/11 9,405.00 8/18/11 26,595.00 5/1/12 5,400.00 4,600.00	0
	LRA	Porter Oil	105,000.00	EMA 100,000.00	2/18/11 100,000.00	0
	LRA	4063 Evans	40,000.00	White Signs Geo 24,000.00	12/15/10 244.50 8/16/10 660.00 9/21/10 605.00 9/21/10 2,195.50 10/25/10 136.00 12/15/10 2,752.20 2/18/11 9,954.20 2/18/11 353.92	0
	Butler Merchandising	2130 Martin Luther King	40,000.00		9/26/12 20,579.15	0
	Yours, Inc.	8001 N. Broadway	30,000.00		30,000.00	0
	Garden District	2232 Thurman	28,000.00		30,251.09	0
	Totals				420,000.00	0